## NSC BRIEFING

17 June 1954

**NSA** review completed

## INDOCHINA

- I. Military picture Tonkin delta area little changed from last week, but Viet Minh readiness for possible largescale attack believed complete.
  - A. Most recent National Intelligence Estimate, for period ending 15 July, concludes must likely Viet Minh action will be:
    - Increase delta operations, possibly committing battle corps, to push back French, demoralize
      Vietnamese and cut LOC Hanoi-Haiphong.
  - B. French, during this period, will be able:
    - 1. Hold key strong points, keep LOC open part-time.
    - 2. In face major attack, however, might evacuate Hanoi and fall back to Haiphong perimeter, which they could almost certainly hold.
  - C. Vietnamese political situation will probably continue deteriorate.
  - D. This weak's most interesting evidence of readiness-possibly indicative of plans to attack--

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	. 9	intelligence companies are operating along	
		perimeter northeast and northwest of Hanoi; this	
		could be preliminary to offensive operations.	
II.	French		
-		apprenensive of attack but claiming	
		clusive evidence of enemy intent, says enemy has	
	suffic	ient supplies stockpiled in rear areas for initial	
	etages	of attack.	
	A.	Mearness of delta to China border would permit	
		resupply to sustain any large-scale offensive.	
	B.	In this connection was	
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		has expectations of early increase in Chinese aid	
		(fecently running at rate close to 3,000 tons	
		per month).	
III.	Vietnam	ese morale, believed important determinant of	
	enemy c	ourse of action, very low.	
	A. [		
		desertion rate among	
		Vietnamese army units and militia in Tonkin delta	
		at highest rate yet.	
	B. 1	Prospects of early Viet Winh victory by military	

or diplomatic means has lessened already weak

and army.

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- C. French now can count on loyalty of only three percent of delta villages.
- D. Other instances of sagging morale include 11 June mutiny of Vietnamese regular army mobile group stationed in Central Vietnam, widespread rioting last week south of Saigon in protest conscription, and rumored rioting at Vietnamese naval academy.
- IV. Meanwhile, Governor Tri of North Vietnam says Ely evasive on French plans for delta regroupment and defense.
  - A. Tri fears possible evacuation Hanoi, is disturbed over possible French plans to abandon the people of southern areas of delta.
  - B. Ely's reluctance keep Tri posted on military plans typical uneasy relationship Vietnamese and French officials.

